

REMARKS

Entry of this Amendment is proper under 37 C.F.R. § 1.116 because the Amendment places the application in condition for allowance for the reasons discussed herein, and does not raise any new issues requiring further search and/or consideration as the amendments amplify these issues previously discussed throughout prosecution. Accordingly, entry of the Amendment is thus respectfully requested.

Status of the Claims

Claims 1-10 and 13-25 are pending, with claims 1, 10 and 13 being independent. Claims 1, 7-9, and 21 have been amended to even more clearly recite and distinctly claim the present invention. Support for the claim amendments may be found throughout the specification, including, for example, in the Examples at pages 18-45. Therefore, no new matter has been added.

Initially Applicants would like to thank the Examiner for indicating that claims 10 and 13 stand allowed.

Applicants respectfully request the Examiner to reconsider and withdraw the outstanding rejections in view of the foregoing amendments and the following remarks.

Claim Rejections Under 35 U.S.C. § 112, first paragraph

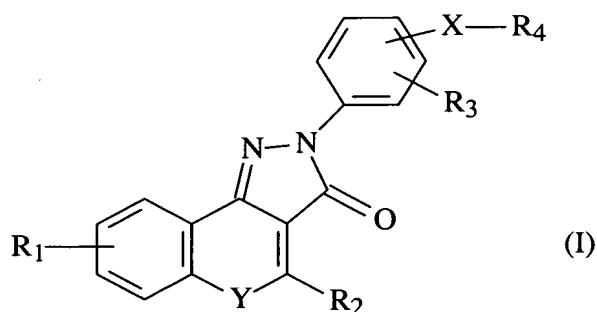
Claims 1-9 and 14-25 stand rejected under 35 U.S.C. § 112, first paragraph as allegedly failing to comply with the written description requirement.

Without conceding the propriety of the rejection, claim 1 has been amended to remove the proviso added in the response filed on March 8, 2005, in order to expedite prosecution and allowance of the subject application. Accordingly, Applicants respectfully submit that the rejection under 35 U.S.C. § 112, first paragraph, has been obviated and respectfully request that the rejection be withdrawn.

Applicants note that claims 1, 7-9, and 21 have been amended such that the claims recite R_4 represents $-C(=O)NHR_6$. Support for this amendment may be found throughout the specification, including, for example, in the Examples at pages 18-45 (e.g., Examples 50-170). Accordingly, Applicants respectfully submit that no new matter has been added.

Applicants further respectfully submit that the present claims, as amended, are distinguishable over Yokoyama as cited in the Office Action dated December 8, 2004. As previously cited, Yokoyama relates 2-aryl-pyrazole[4-3-c]quinolin-3-ones and pharmaceutically acceptable acyl derivatives or salts thereof that are psychoactive agents useful in the treatment of anxiety or depression. As two examples of psychoactive agents useful in the treatment of anxiety or depression, Yokoyama discloses 2-(p-methylcarbamoylaminophenyl)-pyrazolo[4,3-c]quinolin-3(5H)-one and 2-(p-carbamoylphenyl)-pyrazolo[4,3-c]quinolin-3(5H)-one.

In contrast, the present inventions relates to heterocyclic compounds with immunomodulatory activity. As such, the presently claimed compounds are compounds of the following formula (I) or a pharmaceutically or veterinarily acceptable salt thereof:



wherein R₄ represents -C(=O)NHR₆.

To anticipate a claimed invention under §102, a reference must teach each and every element of the claimed invention. See *Lindeman Maschinenfabrik GmbH v. American Hoist and Derrick Company*, 221 USPQ 481, 485 (Fed. Cir. 1984). It is respectfully submitted that in no way does Yokoyama disclose or suggest the presently claimed compounds of formula (I) or pharmaceutically or veterinarily acceptable salt thereof as presently recited in claim 1. In no way do the psychoactive compounds of Yokoyama overlap with the presently claimed immunomodulatory active compounds of formula (I) or pharmaceutically or veterinarily acceptable salt thereof as presently recited in claim 1.

Conclusion

Without conceding the propriety of the rejections, the claims have been amended, as provided above, to even more clearly recite and distinctly claim particularly preferred embodiments of Applicants' invention and to pursue an early allowance. For the reasons noted above, the art of record does not disclose or suggest the inventive concept of the present invention as defined by the claims.

In view of the foregoing amendment and remarks, reconsideration of the claims and allowance of the subject application is earnestly solicited. In the event that there are any questions relating to this application, it would be appreciated if the Examiner would telephone the undersigned attorney concerning such questions so that prosecution of this application may be expedited.

Respectfully submitted,

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